GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:5840
ANSWERED ON:10.04.2017
Tender for new Ships by GAIL
Hari Shri G.

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the GAIL has cancelled tender to hire newly built ships to ferry Liquefied Natural Gas (LNG) from the United States of America and if so, the details thereof;
(b) whether the GAIL now proposes to look to charter LNG ships for short terms of 3-4 years till a new proposal is made and if so, the details thereof; and
(c) whether there are no takers for the tender despite efforts made by the Government in this regard and if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)
(a): The tender was cancelled by GAIL as the bids received contained multiple deviations and were not in line with the tender condition. Despite serious efforts, the bidders continued to retain the major deviations, especially pertaining to the ships to be built at Indian Shipyard, because of which the bids were considered non-responsive as per GAIL's tendering procedure and the tender for charter hiring of Liquified Natural Gas (LNG) ships to import LNG from United States of America (USA) was cancelled on 15th October 2016.
(b) & (c): GAIL has informed that the supply of US LNG is expected to commence from January 2018 and they have initiated action to charter hire ships on short term basis i.e. for a period of 3-4 years. A committee headed by Vice Chairman, NITI Aayog has been constituted to look into the issues of desirability of acquiring shipbuilding technology/capacity for LNG ships. Report of the committee is awaited. GAIL will take further action after taking into consideration the recommendations of the above committee.
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